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C O N F I D E N T I A L SECTION 01 OF 03 KUALA LUMPUR 000950

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FOR EAP/MTS

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TAGS: [PGOV](#) [PREL](#) [KISL](#) [KDEM](#) [MY](#)
SUBJECT: ANWAR'S RECENT STRUGGLES FOR RELEVANCE

REF: A. KUALA LUMPUR 905 -- ANWAR IBRAHIM TAKES CENTER

STAGE

- [1](#)B. KUALA LUMPUR 904 -- UMNO QUESTIONS ANWAR IBRAHIM
- [1](#)C. KUALA LUMPUR 867 -- PM ABDULLAH'S AIDE ON ANWAR

Classified By: Political Section Chief Mark D. Clark for reasons 1.4 (b and d).

Summary

[1](#)1. (C) Leaders throughout the United Malays National Organization (UMNO) heralded the results of the Ijok by-election in late April as a personal defeat for Anwar Ibrahim and declared him irrelevant in Malaysian politics. Anwar, on the other hand, touted the local Ijok contest as a moral victory as his political party went up against the well-financed UMNO-led machine and emerged with over 40 percent of the vote. Malaysia's Registrar of Societies thwarted Anwar's formal return to political party office, but the People's Justice Party reelected Anwar's wife as party president continuing Anwar's de facto leadership of the party. Anwar remains ineligible to seek political office until April 2008. Anwar's party expects national elections to be called in early August, and other Malaysian parties are similarly gearing up for the elections. Anwar Ibrahim's relevance in Malaysian politics appears to be limited to the relevance of opposition groups in general. UMNO and its National Front remain too powerful to derail. End Summary.

Ijok -- BN Machine Deployed in Local Race

[1](#)2. (C) Malaysia's former Deputy Prime Minister Anwar Ibrahim waded back into Malaysian politics in April 2007, leading the opposition campaign in the local by-election at Ijok, Selangor, a contest which involved less than 13,000 voters on polling day. Opposition parties rallied around Anwar's choice of candidate, Khalid Ibrahim, a wealthy businessman and close associate of Anwar. In the head-to-head match, Malaysia's ruling coalition, Barisan Nasional (National Front or BN), fielded a local school administrator, who turned out to be rather popular among the locals but even more easily overshadowed by the party. While Anwar led the opposition campaign, current Deputy Prime Minister Najib Tun Razak headed the BN charge. Throughout the campaign, Anwar focused on national-level issues such as corruption, unfair voting/election practices and accusations of Najib's implication in the murder of the Mongolian interpreter, Altantuya. Najib and the entire BN leadership, including practically every member of the cabinet, campaigned in Ijok as well, deflecting Anwar's blows and focusing on local issues and on the development money that only BN could bring to the table. For both sides the contest centered on BN--

its strengths and its weaknesses. The entire BN coalition was intent on defeating Anwar and his proxy candidate, and unlike previous by-elections that did not warrant the Prime Minister's time, even Abdullah Badawi came to Ijok to campaign for the coalition and to counter Anwar. BN ensured there would be no holds barred in this match.

Both Sides Claim Victory

13. (C) In the end, Ijok's voters returned BN as the winner in the April 28 poll and UMNO-controlled media heralded the fall of Anwar Ibrahim. UMNO politicians used the by-election to underscore their repeated claims that "Anwar Ibrahim is irrelevant in Malaysian politics." Their own conclusions, however, ignored the fact that Anwar's opposition party, the People's Justice Party (Parti Keadilan Rakyat - PKR), had just confronted BN's money machine and won over forty percent of the popular vote. Local political observers estimate that Barisan Nasional spent approximately MYR 100 million (approx USD 29.5 million) to win the Ijok by-election -- a state assembly seat in a small rural district. Poloffs observing the campaigns witnessed first hand the great financial disparity between the great BN machine and the simpler grassroots efforts of the opposition. During the campaign the Barisan Nasional government pledged MYR 36 million (approx USD 10.1 million) in redevelopment funds, repaved roads, installed street lights in rural villages, and even purchased sewing machines for local tailors. Countless ringgit were spent campaigning as the entire party machine moved to Ijok for the campaign period. Anwar's party, strapped for cash and without any means to pledge government development funds, offered only criticism of the current government and calls for democratic reform. Though clearly disappointed following the election, Anwar quickly touted the

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campaign as a victory and a precursor to the party's future success in the upcoming general election.

Party Election Highlights Anwar's Dilemma

14. (C) As the annual general meeting for the People's Justice Party drew near, Anwar reiterated publicly his desire to defy the system and to personally stand for election, first as party president, and then for parliament in the anticipated, upcoming general election. Under current election laws, Anwar remains ineligible for political and party office until April 2008 stemming from his corruption conviction, despite the overturn of Anwar's conviction for sodomy. Anwar has sought unsuccessfully to have the corruption conviction overturned, yet he has not been willing to seek a pardon from the King. Although a royal pardon would reinstate his eligibility to run for public office, it would also entail an admission of guilt -- a stipulation Anwar has been unwilling to make.

Anwar Remains De Facto Party Leader

15. (C) In a game of brinkmanship, Anwar accepted a nomination as party president and challenged the Malaysian Registrar of Societies (ROS) to concede to his nomination. Not until the morning of PKR's annual meeting, May 26, did the ROS respond: Anwar remained ineligible for political office. Were Anwar to stand for election as PKR's president and win, the party risked the ROS deregistering the party and absolute ineligibility to contest in the next election. Poloff attended the PKR convention and spoke to Anwar shortly after the news from the ROS. Anwar expressed disappointment but not surprise at the decision and stated the party was prepared for either event. Consequently, Anwar withdrew his name from the ring and, in a series of orchestrated events, his wife Dr. Wan Azizah Wan Ismail won an uncontested re-election as party president. In an address to the party,

Anwar declared: "If you really want me to be legitimate, then give Wan Azizah the president's post but I will lead the party. They (ROS) want to play silat (the Malay martial art of self-defense), we too will play silat. They use technicalities-- we also have to use technicalities. We have to make a wise decision."

Expectations of Early Polls

¶6. (C) As UMNO politicians decry Anwar's irrelevance, they challenge him at every turn (ref B and C), and apparently seek to hold the general elections before he is eligible to run for office. Preparations for the general election are now the focus of every party in Malaysia, and PKR President Wan Azizah declared in her opening remarks of the party's May 26-27 congress that she expects the election to be called in early August. The Government's decision to use public schools as polling stations indicates that the elections may be held during normally scheduled school holidays. Government officials have alluded to such plans to other diplomatic contacts. The next scheduled, nation-wide, school holidays are August 18-26 and November 17-January 1, 2008. UMNO leaders remain silent on the issue, but they recently passed substantial pay raises for practically all federal employees, some ninety percent of whom are ethnic Malays and strong UMNO supporters, providing another strong indication of early polls.

Comment

¶7. (C) The inordinate attention and resources devoted by BN in Ijok and UMNO politicians' continued focus on Anwar in political calculations (ref C) undercut UMNO's own arguments that Anwar is irrelevant. Anwar's failed petition to the ROS will likely have very limited effect on his political activity in Malaysia. Without the need to focus on his own campaign, in the next general election Anwar will be able to campaign broadly for his party and other opposition candidates. His ability to attract public attention remains high throughout the country, and though Malaysians have a certain "love him or hate him" opinion of Anwar, there is no doubt that he remains a magnet for opposition support that cannot be wholly ignored. Most political pundits ascertain that an opposition parliamentarian, most likely his wife Wan Azizah, will resign his or her seat after April 2008 when Anwar will be eligible to contest the election. He could then vie for his own seat in Parliament in a by-election.

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¶8. (C) Regardless of such maneuvers, however, Anwar's political relevance is limited to the relevance of opposition groups here in general. The opposition holds less than 10 percent of seats in the parliament, and Anwar's PKR itself accounts for only one seat out of 219 in the national legislature. UMNO politics constitute the core politics that matter in Malaysia, and Anwar remains outside the game.

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